# Foucault, Weber, Neoliberalism and the Politics of Governmentality

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The publication of *The Birth of Biopolitics* in 2008, which was the translation into English of Michael Foucault's 1978-79 lectures at the College de France, has generated an important body of scholarship that has sought to engage the themes of Foucault's lectures in light of contemporary concerns. The timeliness of this publication was seen by many to arise from its contemporary relevance. As the global economy rocked under the weight of a financial crisis in 2007-08 that exposed the extent to which growth in capitalist economies in the 1990s and 2000s had been debt-driven and built upon unsustainable foundations, Foucault's highly original reflections of the historical and conceptual origins of *neoliberalism* as a variant of liberal arts of government appeared highly prescient. He appeared to many critical theorists to have anticipated what would be the dominant political ideology of neoliberalism, which rose to prominence in the Western capitalist states with the rise of the Thatcher government in the UK and the Reagan administration in the US, and in the developing world through the 'Washington Consensus' approach to development assistance and structural adjustment. If indeed 2008 marked the crisis-point for a 30-year political economic project of neoliberalism, then Foucault was an essential resource to understand how we had got to that historical point.

But the ready equation of Foucault's lectures, delivered in the context of late-1970s France, to the first two decades of the 21st century, has itself been the source of several problems. One is the anachronistic reading of Foucault, where he is seen as an early prophet of contemporary forms of political economy, whose programmatic statements would be subsequently implemented by a diverse array of political leaders, including every U.S. President and British Prime Minister since the late-1970s. Another is that neoliberalism has become an explanatory term to define almost everything, albeit from a certain critical angle. One example of such a formulation is Wendy Brown's definition of neoliberalism as 'a governing rationality through which everything is "economized" and … human beings become market actors and nothing but, every field of activity is seen as a market, and every entity (whether public or private, whether person, business, or state) is governed as a firm'. [1]

In this sense, neoliberalism becomes what Boas and Gans-Morse described as a term with 'negative normative valence': it can be used widely, but only if it is also used critically. They argue that the critical usage has rendered it a 'conceptual trash heap capable of accommodating multiple distasteful phenomena'. [2] There has been a significant degree of rhetorical inflation around the term, and what Andrew Gamble perceptively identified as 'a tendency to reify neoliberalism and to treat it as a phenomenon which manifests itself everywhere and in everything.'[3] Moreover, as Boas and Gans-Morse have observed, those who may be 'neoliberals' according to the critical perspective rarely use the term themselves: they may instead by classical liberals, libertarians, liberal democrats, modernisers or market reformers – terms with a more positive, or at least a more contested, normative valence.

Foucault's own complex, nuanced reading of what he would term neoliberalism has long been at risk of being subsumed into a more generic neo-Marxist critique of capitalism. In such accounts, neoliberalism becomes the pejorative term used to describe the latest iteration of the dominant ideology through which the ruling class keeps the masses in subordinate power relations. In contrast to Foucault's own conception of power as strategy and something that is 'exercised only over free subjects, and only insofar as they are free', and that 'a society without power relations can only be an abstraction', power is reduced to relations of domination, or the ideological manipulation of subjects by powerful interests.[4]

It is the element of power that is not simply about domination that particular informs Foucault's interest in the liberal arts of government, and how they marked a transformation from earlier forms of *Raison d'Etat*. Moreover, the account of neoliberalism that synthesises Foucault with Marx resist upon instrumentalist theories of the capitalist state, where it can be captured by certain powerful class interests and its policy agencies directed towards particular ends (e.g. weakening the working class). By contrast, Foucault is clear in *The Birth of Biopolitics* that he 'must do without a theory of the state, just as one can and must forego an indigestible meal'. Rather, his interest in governmental rationalities means that 'the state is not a universal nor in itself an autonomous source of power … the state is nothing else but the mobile effect of a regime of multiple governmentalities'. [5]

As a way of illustrating some of the differences, it is instructive to compare Foucault's lectures on neoliberalism, which were presented in Paris in 1977-78, to

Stuart Hall's essays on 'Thatcherism' as a new hegemonic bloc in Britain form the late 1970s onwards (Hall 1988).

First, Hall presents Thatcherism as the outcome of changing ideologies among sections of the British working class, particularly around law and order, consumer society and nationalism. By contrast, Foucault's account of the rise of neoliberalism does not hinge upon changes in electoral behaviour or popular consciousness at all; rather, it is consistent with a longstanding series of liberal challenges to state authority, that present the market as a countervailing source of knowledge and moral authority. From the 1940s onwards, it is challenging not only more 'statist' forms of government, but also the liberal settlement associated with Keynesian economics and the welfare state.

Second, Hall retains a theory of the state that associates the rise of particular government policies with the interests of certain social classes, whereas Foucault is interested in the changing techniques of government itself, rather than which interests government policies and agencies are alleged to serve. His approach thus avoids the risks associated with what Paul Hirst (1990) termed the 'pitfalls of electoral sociology', where major structural changes are associated with the vagaries of different political coalitions.

Third, Hall presented the problem for the British left arising from Thatcherism as one of cultural modernisation – how its ideas and institutions could win back those

sections of the population that had shifted allegiance towards the Conservative Party. By contrast, Foucault asks what can the left learn about the practices of governing from analysis of the rise of neoliberal governmentality.

Consideration of Foucault's approach to neoliberalism, then, requires that we understand his project as one of focusing upon particular forms of governmental power, techniques and rationalities, rather than on the projects of actual governments.[6] It also points to a need for caution in simply assimilating Foucault's work into neo-Marxist critiques of neoliberalism from a political economy perspective. [7] Foucault's interest in political economy, as it emerged in Europe form the mid-18th century onwards, was that it shifted understanding of the arts of government, to techniques of practical action rather than broad principles of legitimacy: 'success or failure, rather than legitimacy or illegitimacy, now become the criteria of governmental action.' [8]

This is not to say that such empirical calculations are not informed by theory or philosophy, but it is to note that the 'question of liberalism' becomes one of 'the frugality of government', whereby the market becomes 'the standard of truth' for evaluating the success or failure of governmental action. Such governmental action is perpetually dealing with 'the management of freedom' and the balance between freedom and security: there is a perpetual balancing act being performed between 'too little' government, which may endanger security, and 'too much' government, which may endanger individual freedom. [9] Somewhat paradoxically, Foucault argues that 'there is no liberalism without a culture of danger',[10] while at the same time pointing

to the emergence of a growing array of disciplinary and supervisory techniques emerging to manage the market economy, as well as compensatory mechanisms associated with it.

Foucault identified the emergence of what he termed neoliberalism in the context of the crisis of liberalism in the 1930s. The 1930s were generally a difficult decade for liberalism worldwide. Liberal ideas were challenged by the Bolshevik Revolution in Russia and the rise of a global communist movement on the one hand, and the rise of Nazism in Germany and Fascism in Italy, Spain and elsewhere. Both the First and the Second World Wars would establish that the liberal assumption that trading nations would not go to war with one another did not hold. The Great Depression had also thrown into doubt the viability of market capitalist economies, and there had also been a historical shift within liberalism towards social liberalism and economic intervention. The New Deal in the U.S. was critical to this, as was the economics of John Maynard Keynes; the Popular Front government of Leon Blum in the 1930s pioneered the sort of interventionist program that would also be pursued in Great Britain and in many other countries after World War II.

Foucault's account of the emergence of neoliberalism focuses on two events in particular. The first is the Walter Lippmann Colloquium held in Paris in July 1939, which he sees as playing a key role in reformulating liberal ideas. In particular, this international gathering of liberal thinkers sought to overcome the dichotomy that existed in liberal thought between the market economy, or *laissez-faire*, and state intervention that aimed to modify the adverse effects of the market economy, such as

anti-monopoly laws or compensatory social policy. It was instead proposed that the market economy is not a 'natural order', but rather 'the result of a legal order the presupposes juridical intervention by the state.'[11] More generally, the relationship between the market and competition on the one hand, and the state and governmental rationality on the other was not 'a reciprocal delimitation of different domains'; rather, 'the essence of the market can only appear if it is produced, and it is produced by an active governmentality'. [12] In considering the form that such an active governmentality should take, what is proposed is a 'positive liberalism' that is 'market-conforming' – it is about 'taking the formal principles of a market economy and referring and relating them to, of projecting them onto a general art of government'. [13]

The other major development is the role played by the *Ordoliberals*, also known as the Freiberg School of political economists, in the reconstruction of Germany after WWII. In contrast to the focus on Keynesian economics and planning in most European nations, the new (West) German state explicitly based its economic program on market conforming policies, such as the removal of price controls, balanced budgets and modest growth in credit and the supply of money. In doing so, they premised the legitimacy of the new state on its economic performativity, where 'the economy, economic development and economic growth produces sovereignty; it produces political sovereignty through the institutions and institutional game that, precisely, makes this economy work'. [14] While the influence of the Germany model of the social market economy has arguably not been that great in the rest of Europe – Foucault details reasons why it was not adopted in France, which has had a most historically statist mode of economic development – it became hegemonic within

Germany. The German Social Democratic Party (SPD), at its 1959 Bad Godesburg Congress, turned away from its Marxian past towards acceptance of the market economy and private property, as long as they were compatible with 'an equitable social order' and competitive market relations were maintained.

As both William Davies[15] and Nicholas Gane[16] have observed, Foucault does need to be treated with some caution as a guide to the history and philosophy of liberalism. His work did not generally deal with political economy in detail, and the account in *The Birth of Biopolitics* weaves a somewhat idiosyncratic path from Jeremy Bentham and Adam Smith to von Mises and von Hayek, and then to the 'Chicago School' of neoclassical economists and theorists of 'human capital'. What is missing here is the 19th century in general, and the evolution of economic thought in that period in particular. This matters because Foucault's interest in anti-Keynesian ideas as promulgated by Hayek and Henry Simons, and later by George Stigler and Milton Friedman, requires some understanding of how the thinking of an author such as Keynes was shaped one the one hand by the British tradition of economics as framed by Mill, Marshall and the 'Cambridge School', and at the same time by the perceived inability of the orthodox models to deal with the economic circumstances of the 1930s Great Depression. [17] This also matters historically because the turn away from Keynesian economics in the 1970s and 1980s occurred as much because it was seen as unable to deal with the simultaneous onset of inflation and unemployment in capitalist economies as with a wider policy embrace of the ideas of Hayek, Friedman etc.[18] Adoption of the latter set of policy prescriptions was, for the most part, confined to the English-speaking world, and particularly to the United States and Great Britain.[19]

The other problem is that while German *Ordoliberalism* and the Anglo-American brand of neo-liberalism may have common historical antecedents (such as the Walter Lippmann Colloquium, and the Mont Pelerin Society)[20], they can clearly pull in two quite different directions. One element of the success of the German social market economy was that it secured the participation of the trade unions as an economic partner, with another being that it came to be understood as a 'middle way' between laissez-faire capitalism and state socialism, combining strong economic performance with appropriate social provision. In this way, it had implications that were far more corporatist than American neo-liberalism ever could accept, premised as it has been upon 'the generalization of the economic form of the market … through the social body', and upon 'a permanent criticism of government policy'. [21] Foucault notes that neoliberal purists such as Hayek found themselves increasingly at odds with the German *Ordoliberals*, but the wider implications of this have rarely been pursued in the subsequent literature. One could similarly note that while human capital theory has its origins with the Chicago School of economics, the proposition that there is a positive correlation between levels of education and economic growth, and that the state has an active role in managing economic restructuring through provision of opportunities for worker retraining, has long been a staple of the Scandinavian social democratic nations, and of social democratic theories more generally.

*The Birth of Biopolitics* also marks an engagement by Foucault with the work of Max Weber that is worth considering. The implicit contrasts that Foucault makes between German, French and American national capitalisms point towards the comparative

histories of capitalist economies that Weber saw as being a central task of economic sociology. [22] Other Weberian themes developed in *The Birth of Biopolitics* include:

- The argument that German sociology had moved from the Marxist problematic of the contradictions of capital towards the Weberian concept of the contradiction between economic rationality and social irrationality, which he saw as central to the Frankfurt School as well as the Freiberg School of political economists; [23]

- The legal framework of capitalism, and the ethical, moral and legal frameworks that regulate economic activity, cannot be considered to be part of the superstructure, counterposed to a 'pure' economic realm. Rather, 'these economic processes only really exist, in history, insofar as an institutional framework and positive rules have provided them with their conditions of possibility'; [24]

- Rejection of the Marxist notion that capitalism has a single universal form, and that there is 'only one logic of capital'. Instead, Foucault invokes Weber to argue that 'the history of capitalism can only be an economic-institutional history' where 'economic processes and institutional frameworks call on each other, support each other, modify and shape each other in ceaseless reciprocity'; [25]

- Capitalism thus takes a diverse array of historical forms, and there is considerable scope to reshape national capitalisms through interventions in reshaping legal, institutional, political and other arrangements that underpin economic processes.

Identifying these Weberian themes in *The Birth of Biopolitics* provides, in my view, an important insight into the politics that underpinned these lectures. The debate about whether Foucault's far from polemical account of neoliberalism was an implicit endorsement of these ideas has raged.[26] One hesitates to join in a debate about whether Foucault was 'for' or 'against' neoliberalism since, as Paul Patton points out, the task of historical reflection for Foucault was not one that lent itself to such simple binary oppositions. His interest in ideas surrounding the market and its relationship to liberal rationalities of government perhaps stemmed in part from his own dissatisfaction with the politics of the French Left. The major political development of this period was the dissolution of the 'Union of the Left', a common program of the French Socialist Party (PS) and the French Communist Party (PCF) agreed to in 1972, based around a substantial increase in forms of social provision and the nationalisation of key firms and industries. A long time sceptic towards the PCF, Foucault was probably less concerned than others on the left about the break-up of such an alliance, as he had never seen changes in power relations as being particularly contingent upon an expansion of the role of the state, or the capturing of its key institutions. To that extent, he shared with the neoliberals a concern that such an expansion of the state could constitute 'too much' government, and an associated risk to personal freedoms. He was also clearly distancing himself in this period from what he termed 'state phobia', and the associated claim that Western capitalist nations were moving in the direction of fascism.[27] It is a long stretch, however, to associate this with an embrace of the sort of policies that would, shortly after these lectures, be associated with governments such as that of Margaret Thatcher in the U.K. or Ronald Reagan in the U.S.

There ahs long been a debate as to whether Foucault has become less utopian in his politics, and more of a political realist, in his alter lectures on governmentality. [28] There is evidence to support such a claim in *The Birth of Biopolitics*. Reflecting on why the economic program of the German Christian Democratic Party interested him, and on the general acceptance of its core tenets by the Social Democrats, Foucault makes the observation that:

> What socialism lacks is not so much a theory of the state as a governmental reason, the definition of what a governmental rationality would be in socialism, that is to say, a reasonable and calculable measure of the extent, modes, and objectives of governmental action. [29]

An important difference between the socialists and the liberals, for Foucault, is the relative political pragmatism of the latter. Whereas socialists devote much energy to the question of who is a 'true' socialist, based on 'conformity to a text, or to a series of texts', liberals are much more interested in adapting their philosophical ideals to practical governmental programs, as evidenced by the ways in which the Freiberg school could move from relatively abstract debates around *Ordoliberalism* to successfully administering the post-war West German state. Foucault argues that 'there is no autonomous socialist governmentality', and it is politically pointless to cour the core texts of Marxism in search of one. Instead, he argues that 'socialism can only be implemented connected up to diverse forms of governmentality', and that:

> We can know only that if there is a really socialist governmentality, then it is not hidden within socialism and its texts. It cannot be deduced from them. It must be invented. [30]

The question then of how to govern in a different way, to match one's utopian principles to the practical tasks of public administration and governmental rationality, is the challenge that Foucault see the neoliberals as presenting to the political left. At the time in which he presented these lectures, he did not believe that the left with which he was most familiar had met such a historical challenge.

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[1] Shenk 2015.

[2] Boas and Gans-Morse 2009: 156.

[3] Gamble 2001: 134.

[4] Foucault 1982: 790, 791.

[5] Foucault 1988: 77.

[6] Patton 2013.

[7] See Barnett 2010, for an extended critique of such approaches.

[8] Foucault 2008: 16.

[9] Foucault 2008: 28-32, 63-68.

[10] Foucault 2008: 68.

[11] Foucault 1988: 163.

[12] Foucault 1988: 121.

[13] Foucault 1988: 131.

[14] Foucault 2008: 84.

[15] Davies 2014.

[16] Gane 2014.

[17] Skidelsky, 2003.

[18] Indeed, if neoliberalism is simply anti-Keynesianism, then the first 'neoliberal political leader was the UK Prime Minister James Callaghan, who told the Labour Party Conference in Brighton in 1976 that 'We used to think you could spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I can tell you in all candour that that option no longer exists'. Quoted in Sassoon 1996: 500.

[19] I have elsewhere observed that there has been no consistent trend towards the reduction of the share of the public sector as a percentage of GDP in OECD economies, suggesting that, at least in this respect, adoption of neoliberal nostrums of shrinking the public sector have been much less widely adopted than many of the dominant accounts would suggest.

[20] Stedman Jones 2012.

[21] Foucault 2008: 243, 247.

[22] Weber 1978: 164-166.

[23] Foucault 2008: 105-106.

[24] Foucault 2008: 163.

[25] Foucault 2008: 164.

[26] See e.g. Behrent 2009; Zamora 2014.

[27] Foucault 2008: 76-77, 185-188.

[28] See e.g. Gordon 1991: 46-48; Eribon 1991: 296-308.

[29] Foucault 2008: 91-92.

[30] Foucault 2008: 94.